TWICE since the founding of the Republic, cataclysmic events have sliced through the fabric of American life, snapping many of the threads which ordinarily bind the past to the future. The War for the Union was one such event, the Great Depression of the 1930’s the other. And, as the Civil War was precipitated from the political and moral tensions of the preceding era, so the Great Depression was a culmination of the social and economic forces of industrialization and urbanization which had been transforming America since 1865. A depression of such pervasiveness as that of the thirties could happen only to a people already tightly interlaced by the multitudinous cords of a machine civilization and embedded in the matrix of an urban society.

In all our history no other economic collapse brought so many Americans to near starvation, endured so long, or came so close to overturning the basic institutions of American life. It is understandable, therefore, that from that experience should issue a new conception of the good society.

1. “HUNGER IS NOT DEBATABLE”

The economic dimensions of the Great Depression are quickly sketched—too quickly perhaps to permit a full appreciation of the abyss into which the economy slid between 1929 and 1933. The value of stocks on the New York Exchange, for example, slumped from a high of $87 billion in 1929 to a mere $19 billion in 1933. Wholesale prices dropped 38 per cent by 1933 and farm prices seemed almost to have ceased to exist: they were 60 per cent below the low level of 1929. Within less than three years, realized national income plummeted to almost half of what it had been in the last boom year; and the same was true of industrial production. The human cost of this catastrophic breakdown in the complicated industrial machine, Fortune magazine estimated in September, 1932, was 10 million totally unemployed or 25 million people without any source of income.

To worsen matters, the industrial stagnation was accompanied by a spreading fever of bank failures. First here and there, then all over the country, the banks began to close their doors in the faces of their depositors. By the beginning of 1933, the financial self-confidence of the nation reached a dangerously low level, requiring the new administration of Franklin Roosevelt, as its first official act, to order the closing of all banks. In all, more than 10,000 deposit banks failed in the five years after 1929. If the banks, the custodians of the measure of value, proved to be unsound, men might well wonder what was left to cling to as the winds of disaster gained in fury.

Unnerving as the failure of the banks undoubtedly was, for most people the Great Depression became starkly real only when unemployment struck. No one knew whom it would hit next; the jobless were everywhere—in the cities, in the towns, on the farms.

Their helplessness, their bewilderment, were often written in their faces, reflected in their discouraged gaits, and mirrored in their run-down dwellings. John Dos Passos reported seeing the unemployed of Detroit in 1932 living in caves scooped out of giant abandoned sand piles. Though it was said that no one would be allowed to starve, Fortune, in September, 1932, suggested that some had already. The magazine counted the millions of the unemployed and told of families subsisting on a single loaf of bread for over a week or of going without food for two or three days on end. Discarded and spoiled vegetables or wild dandelions were the substance of meals for some families. Other reports in 1933 told of at least twenty-nine persons who died of starvation in New York City. Moreover, thousands must have died from diseases which gained an easy foothold in weakened and underfed bodies; but these unfortunates were never counted. Food, casually consumed in good times, suddenly became the focus of existence for thousands. In their desperation some urban folk actually tried to wring their food from the barren soil of the city. In Gary, Indiana, for example, 20,000 families were raising food on lots lent by the city; Robert and Helen Lynd reported that in Middletown in 1933, 2,500 of the town’s 48,000 people eked out their food budgets with relief gardens.

The spreading unemployment generated new and deep-seated fears. When the unkempt veterans of the First World War camped in Washington in 1932, demanding a bonus to tide them over their joblessness, a fearful and unsure President had them dispersed by troops armed with tear gas. And when Congress in that same year voted a 10 per cent cut in government salaries, President Hoover sent a secret message urging that the enlisted men of the Army and the Navy be excluded from such decreases so that in case of domestic troubles the federal government would not be compelled to rely upon disgruntled troops.

Nor was it only the federal government that felt uneasy in the presence of the specter which was stalking the land. Malcolm Cowley, in an eyewitness account, described how the trucks bearing the disillusioned veterans out of Washington were quickly sped through town after town, the local authorities fearing that some of the unemployed veterans would jump off and become burdens on already overtaxed communities. Cowley tells of one citizen in Washington, not a marcher at all, who was hurriedly bundled into a truck by mistake and could not get off until he reached Indianapolis!

Driven by their desperation, some Americans began to talk of violence. Mutterings of revolution and threats to return with rifles were heard among the bonus marchers as they left Washington. Out on the farms, the dissatisfaction of the veterans was matched by sullen farmers who closed the courts and disrupted mortgage auctions to save their homes. The ugly turn which the discontent could take was revealed by the arrest of a man in Wisconsin in 1932 on suspicion of having removed a spike from the railroad track over which President Hoover’s train was to pass. In that bleak year it was not uncommon for the President of the United States to be booed and hooted as he doggedly pursued his ill-starred campaign for re-election. To Theodore Dreiser, as the cold night of the depression settled over the land, it seemed that Karl Marx’s prediction “that Capitalism would eventually evolve into failure...has come true.”

Even for the Lords of Creation, as Frederick Lewis Allen was to call them, the Great Depression was an unsettling and confusing experience. “I’m afraid, every man is afraid,” confessed Charles M. Schwab of United States Steel. “I don’t know, we don’t...
know, whether the values we have are going to be real next month or not.” And in the very early months of the Roosevelt administration, Harold Ickes, attending a dinner of the Chamber of Commerce of the United States, could sense the pitiable impotence to which the nation’s industrial leaders had sunk. “The great and the mighty in the business world were there in force,” he rather gleefully noted in his diary, “and I couldn’t help thinking how so many of these great and mighty were crawling to Washington on their hands and knees these days to beg the Government to run their businesses for them.”

But it was the unspectacular, the everyday dreariness of unemployment that must have cut the deepest and endured the longest as far as the ordinary American was concerned. The simplest things of life, once taken for granted, now became points of irritation. “I forget how to cook good since I have nothing to cook with,” remarked one housewife. Children lost their appetites upon seeing the milk and mush “that they have seen so often.” Even the rare treat of fresh meat could not awaken an appetite long accustomed to disappointment and pallid food.

The routine entertainments of the poor were casualties to unemployment. “Suppose you go to a friend’s house and she gives you a cup of tea and something,” the wife of an unemployed worker told a social worker. “You feel ashamed. You think, now I got to do the same when she comes to my house. You know you can’t so you stay home.” Shifts in entertainment patterns among the unemployed were revealed in a study made of some 200 families in New Haven. Before the breadwinner lost his job, some 55 per cent went to the movies; once unemployment hit, however, only 16 per cent did. In the days when work was to be had, only 13 per cent found recreation in “sitting around the house,” but now 25 per cent did so. With the loss of their jobs, 12 per cent of the men admitted they “chatted and gossiped” for recreation, although none of them did when they had work.

Unemployment’s effect upon the family was often more profound and far-reaching. In recounting the case history of the Raparka family, one sociologist wrote that when Mr. Raparka “lost his job in the fall of 1933, he dominated the family. Two years later it was Mrs. Raparka who was the center of authority.” Again and again social workers chronicled the alteration in the father’s position in the family during a period of unemployment. Humiliation settled over many a father no longer able to fulfill his accustomed role in the family. “I would rather turn on the gas and put an end to the whole family than let my wife support me,” was the way one unemployed father put it. One investigator found that one fifth of her sample of fifty-nine families exhibited a breakdown in the father’s authority, particularly in the eyes of the wife. For example, one wife said, “When your husband cannot provide for the family and makes you worry so, you lose your love for him.”

Fathers discovered that without the usual financial power to buy bikes or bestow nickels, their control and authority over children were seriously weakened and sometimes completely undermined. In one family where the father was unemployed for a long time, his role was almost completely taken over by the eldest son. The father himself admitted: “The son of twenty-two is just like a father around the house. He tries to settle any little brother-and-sister fights and even encourages me and my wife.” In the same family, a younger son who was working summed up his relationship to his parents in a few words. “I remind them,” he said, “who makes the money. They don’t say much. They just take it, that’s all. I’m not the one on relief.” In such circumstances, it is no exaggeration to say
that the massive weight of the depression was grinding away at the bedrock of American institutions.

The ties of a home struck by unemployment were weak and the opportunities for fruitful and satisfying work were almost totally absent in 1932-33. *Fortune* reported in February, 1933, that something like 200,000 young men and boys were traveling around the country on railroad trains for lack of anything better to do. Tolerated by the railroads because of their obvious poverty and lack of jobs, the boys were often suffering from disease and malnutrition. The authorities in Los Angeles asserted, for example, that 25 per cent of those coming into the city needed clinical attention and 5 per cent required hospitalization. During a single season, one railroad announced, fifty such footloose boys were killed and one hundred injured. From Kansas City it was reported that girl wanderers, dressed in boy's clothing, were on the increase. To many such young people, now grown, the Great Depression must still seem the most purposeless, the most enervating period of their lives.

What Robert and Helen Lynd concluded for their study of Middletown in 1935 can be applied to America as a whole: "...the great knife of the depression had cut down impartially through the entire population cleaving open lives and hopes of rich as well as poor. The experience has been more nearly universal than any prolonged recent emotional experience in the city’s history; it has approached in its elemental shock the primary experiences of birth and death."

2. THE END OF LAISSEZ FAIRE

Perhaps the most striking alteration in American thought which the depression fostered concerned the role of the government in the economy. Buffeted and bewildered by the economic debacle, the American people in the course of the 1930’s abandoned, once and for all, the doctrine of laissez faire. This beau ideal of the nineteenth-century economists had become, ever since the days of Jackson, an increasingly cherished shibboleth of Americans. But now it was almost casually discarded. It is true, of course, that the rejection of laissez faire had a long history; certainly the Populists worked to undermine it. But with the depression the nation at large accepted the government as a permanent influence in the economy.2

Almost every one of the best-known measures of the federal government during the depression era made inroads into the hitherto private preserves of business and the individual. Furthermore, most of these new measures survived the period, taking their places as fundamental elements in the structure of American life. For modern Americans living under a federal government of transcendent influence and control in the economy, this is the historic meaning of the great depression.

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2 A complementary and highly suggestive way of viewing this trend away from laissez faire, of which the events of the 1930’s are a culmination, is that taken in K. William Kapp, *The Social Costs of Private Enterprise* (Cambridge, Mass., 1950). Kapp observes that for a long time private enterprise had shifted the social costs of production—like industrially polluted water, industrial injuries, smoke nuisances and hazards, unemployment, and the like—onto society. The decline of laissez faire has, in this view, actually been a movement to compel industry to pay for those social costs of production which it has hitherto shirked.
Much of what is taken for granted today as the legitimate function of government and the social responsibility of business began only with the legislation of these turbulent years. Out of the investigation of banking and bankers in 1933, for example, issued legislation which separated commercial banking from the stock and bond markets, and insured the bank deposits of ordinary citizens. The stock market, like the banks, was placed under new controls and a higher sense of responsibility to the public imposed upon it by the new Securities and Exchange Commission. The lesson of Black Tuesday in 1929 had not been forgotten; the classic free market itself—the Exchange—was hereafter to be under continuous governmental scrutiny.

The three Agricultural Adjustment Acts of 1933, 1936, and 1938, while somewhat diverse in detail, laid down the basic lines of what is still today the American approach to the agricultural problem. Ever since the collapse of the boom after the First World War, American agriculture had suffered from the low prices born of the tremendous surpluses. Unable to devise a method for expanding markets to absorb the excess, the government turned to restriction of output as the only feasible alternative. But because restriction of output meant curtailment of income for the farmer, it became necessary, if farm income was to be sustained, that farmers be compensated for their cut in production. Thus was inaugurated the singular phenomenon, which is still a part of the American answer to the agricultural surplus, of paying farmers for not growing crops. The other device introduced for raising farm prices, and still the mainstay of our farm policy, came with the 1938 act, which provided that the government would purchase and store excess farm goods, thus supporting the price level by withdrawing the surplus from the competitive market. Both methods constitute a subsidy for the farmer from society at large.\(^3\)

Though the Eisenhower administration in the 1950’s called for a return to a free market in farm products, at least in part—that is, the removal of government supports from prices—Congress refused to go along. Under Kennedy and Johnson government subsidy for agriculture has been continued as it undoubtedly will be under the Nixon administration. A free market in agriculture was in operation during the twenties, but it succeeded only in making farmers the economic stepchildren of an otherwise prosperous decade. Moreover, today the farm bloc is too powerful politically to be treated so cavalierly. Furthermore, the depression has taught most Americans—and western Europeans as well—that a free market is not only a rarity in the modern world, but that it is sometimes inimical to a stable and lasting prosperity. All of the countries of western Europe also provide government subsidies to agriculture.

Perhaps the most imaginative and fruitful innovation arising out of the depression was the Tennessee Valley Authority, which transformed the heart of the South. “It was and is literally a down to earth experiment,” native Tennessean Broadus Mitchell has written, “with all that we know from test tube and logarithm tables called on to help. It was a union of heart and mind to restore what had been wasted. It was a social resurrection.” For the TVA was much more than flood and erosion control or even hydroelectric power—though its gleaming white dams are perhaps its most striking and

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\(^3\) On the day that the first AAA was declared unconstitutional, a Gallup poll revealed that, although the nation as a whole did not like the AAA, the farmers of the South and Midwest did. As a result, invalidation of the act by the Court did not mean the end of such a policy, but only the beginning of a search to find a new way of accomplishing the same end. Hence there were successive AAA’s, whereas, when NRA was declared unconstitutional in 1935, it was dropped, primarily because neither business nor labor, for whose interests it had been organized, found much merit in its approach to their problems.
best-known monuments. It was social planning of the most humane sort, where even the
dead were carefully removed from cemeteries before the waters backed up behind the
dams. It brought new ideas, new wealth, new skills, new hope into a wasted, tired, and
discouraged region.

At the time of the inception of the TVA, it was scarcely believable that the
“backward” South would ever utilize all the power the great dams would create. But in its
report of 1956, the Authority declared that the Valley’s consumption of electricity far
exceeded that produced from water sites: almost three quarters of TVA’s power is now
generated from steam power, not from waterfall. In large part it was the TVA which
taught the Valley how to use more power to expand its industries and to lighten the
people’s burdens. Back in 1935, Drew and Leon Pearson saw this creation of consumer
demand in action. “Uncle Sam is a drummer with a commercial line to sell,” they wrote
in Harper’s Magazine. “He sold liberty bonds before, but never refrigerators.”

Measured against textbook definitions, the TVA is unquestionably socialism. The
government owns the means of production and, moreover, it competes with private
producers of electricity. But pragmatic Americans—and particularly those living in the
Valley—have had few sleepless nights as a consequence of this fact. The TVA does its
appointed job, and apparently it is here to stay. For when the Eisenhower administration
sought to establish an alternative to the expansion of the TVA power facilities by
awarding a contract for a steam plant to a private firm—Dixon-Yates—friends of the
TVA in and out of Congress forced the cancellation of the contract. And despite
Eisenhower’s unfortunate reference to it as “creeping socialism,” the TVA has been
absorbed into that new American Way fashioned by the experimentalism of the American
people out of the wreckage of the Great Depression.

Undoubtedly social security deserves the appellation “revolutionary” quite as
much as the TVA; it brought government into the lives of people as nothing had since the
draft and the income tax. Social security legislation actually comprises two systems:
insurance against old age and insurance in the event of loss of work. The first system was
completely organized and operated by the federal government; the second was shared
with the states—but the national government set the standards; both were clear
acknowledgment of the changes which had taken place in the family and in the business
of making a living in America. No longer in urban America could the old folks, whose
proportion in the society was steadily increasing, count on being taken in by their
offspring as had been customary in a more agrarian world. Besides, such a makeshift
arrangement was scarcely satisfying to the self-respect of the oldsters. With the
transformation of the economy by industrialization, most Americans had become helpless
before the vagaries of the business cycle. As a consequence of the social forces which
were steadily augmenting social insecurity, only collective action by the government
could arrest the drift.

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4 The extent of the intellectual change which the depression measures introduced can be appreciated by a
quotations from President Hoover’s veto in 1931 of a bill to develop a public power project in what was
later to be the TVA area. “I am firmly opposed to the Government entering into any business the major
purpose of which is competition with our citizens.” Emergency measures of such a character might be
tolerated, he said. “But for the Federal government deliberately to go out to build up and expand such an
occasion to the major purpose of a power and manufacturing business is to break down the initiative and
enterprise of the American people; it is destruction of equality of opportunity amongst our people; it is the
negation of the ideals upon which our civilization has been based.”
To have the government concerned about the security of the individual was a new thing. Keenly aware of the novelty of this aim in individualistic America, Roosevelt was careful to deny any serious departure from traditional paths. “These three great objectives—the security of the home, the security of livelihood, and the security of social insurance,” he said in 1934, constitute “a minimum of the promise that we can offer to the American people.” But this, he quickly added, “does not indicate a change in values.”

Whether the American people thought their values had changed is not nearly as important as the fact that they accepted social security. And the proof that they did is shown in the steady increase in the proportion of the population covered by the old-age benefit program since 1935; today farm workers as well as the great preponderance of nonfarm workers are included in the system. Apart from being a minimum protection for the individual and society against the dry rot of industrial idleness, unemployment insurance is now recognized as one of the major devices for warding off another depression.

It is true, as proponents of the agrarian life have been quick to point out, that an industrialized people, stripped as they are of their economic self-reliance, have felt the need for social insurance more than people in other types of society. But it is perhaps just as important to recognize that it is only in such a highly productive society that people can even dare to dream of social security. Men in other ages have felt the biting pains of economic crisis, but few preindustrial people have ever enjoyed that surfeit of goods which permits the fat years to fill out the lean ones. But like so much else concerning industrialism, it is not always easy to calculate whether the boons it offers exceed in value the burdens which it imposes.

For the average man, the scourge of unemployment was the essence of the depression. Widespread unemployment, permeating all ranks and stations in society, drove the American people and their government into some of their most determined and deliberate departures from the hallowed policy of “hands off.” But despite the determination, as late as 1938 the workless still numbered almost ten million—two thirds as great as in 1932 under President Hoover. The governmental policies of the 1930’s never appreciably diminished the horde of unemployed—only the war prosperity of 1940 and after did that—but the providing of jobs by the federal government was a reflection of the people’s new conviction that the government had a responsibility to alleviate economic disaster. Such bold action on the part of government, after the ineffective, if earnest approach of the Hoover administration, was a tonic for the dragging spirits of the people.

5 Characteristically enough, as his memoirs show, President Hoover had long been interested in both old-age and unemployment insurance, but always such schemes were to be worked out through private insurance companies, or at best with the states—never under the auspices of the federal government. “It required a great depression,” he has written somewhat ruefully, “to awaken interest in the idea” of unemployment insurance.

6 It was the misfortune of Herbert Hoover to have been President at a time when his considerable administrative and intellectual gifts were hamstrung by his basic political philosophy, which, instead of being a guide to action, served as an obstacle. Much more of an old-fashioned liberal than a reactionary, and deeply attached to the Jeffersonian dogma of the limited powers of the federal government, Hoover was psychologically and philosophically unable to use the immense powers and resources of his office in attacking unemployment. Back in 1860-61, another President—James Buchanan—had been paralyzed in the midst of a national crisis by his limited conception of the federal power, but in that instance his inaction was palliated by the fact that his successor was to take office within less than three months. Hoover,
A whole range of agencies, from the Civil Works Administration (CWA) to the Works Progress Administration (WPA), were created to carry the attack against unemployment. It is true that the vast program of relief which was organized was not “permanent” in the sense that it is still in being, but for two reasons it deserves to be discussed here. First, since these agencies constituted America’s principal weapon against unemployment, some form of them will surely be utilized if a depression should occur again. Second, the various relief agencies of the period afford the best examples of the new welfare outlook, which was then in the process of formation.

Though in the beginning relief programs were premised on little more than Harry Hopkins’ celebrated dictum, “Hunger is not debatable,” much more complex solutions to unemployment were soon worked out. The relief program of the WPA, which after 1935 was the major relief agency, was a case in point. In 1937, Fortune magazine commented on “the evolution of unemployment relief from tool to institution”—a recognition of the importance and duration of relief in America. “In 1936, the federal government was so deeply involved in the relief of the unemployed,” Fortune contended, “that it was not only keeping them alive, but it was also giving them an opportunity to work; and not only giving them an opportunity to work but giving them an opportunity to work at jobs for which they were peculiarly fitted; and not only giving them an opportunity to work at jobs for which they were peculiarly fitted, but creating for them jobs of an interest and usefulness which they could not have expected to find in private employment.” The statement somewhat distorts the work of the WPA, but it sums up the main outlines of the evolution of the relief program.

The various artistic and cultural employment programs of the WPA are excellent examples of how relief provided more than employment, though any of the youth agencies like the Civilian Conservation Corps or the National Youth Administration (it subsidized student work) would serve equally well. At its peak, the Federal Writers’ Project employed some 6,000 journalists, poets, novelists, and Ph.D.’s of one sort or another; unknowns worked on the same payroll, if not side by side, with John Steinbeck, Vardis Fisher, and Conrad Aiken. The $46 million expended on art—that is, painting and sculpture—by the WPA in 1936-37 exceeded the artistic budget of any country outside the totalitarian orbit—and there art was frankly propagandistic. Fortune, in May, 1937, found the American government’s sponsorship of art singularly free of censorship or propaganda. The magazine concluded that “by and large the Arts Projects have been given a freedom no one would have thought possible in a government run undertaking. And by and large that freedom has not been abused.” During the first fifteen months of the Federal Music Project, some fifty million people heard live concerts; in the first year of the WPA Theater, sixty million people in thirty states saw performances, with weekly attendance running to half a million. T. S. Eliot’s Murder in the Cathedral, too risky for a commercial producer, was presented in New York by the Federal Theater to 40,000 people at a top price of 55 cents.

however, wrestled with the depression for three years. During that trying period he did a number things to combat the depression, but he always stoutly held to his rigid intellectual position that federally supplied and administered relief would destroy the foundations of the nation. Never has an American President, including the two Adamses, defied overwhelming popular opinion for so long for the sake of his own ideals as Herbert Hoover did then; and never has a President since Buchanan fallen so quickly into obscurity as Hoover did after March 4, 1933.
“What the government’s experiments in music, painting, and the theater actually did,” concluded Fortune in May, 1937, “even in their first year, was to work a sort of cultural revolution in America.” For the first time the American audience and the American artist were brought face to face for their mutual benefit. “Art in America is being given its chance,” said the British writer Ford Madox Ford, “and there has been nothing like it since before the Reformation....”

Instead of being ignored on the superficially plausible grounds of the exigencies of the depression, the precious skills of thousands of painters, writers, and musicians were utilized. By this timely rescue of skills, tastes, and talents from the deadening hand of unemployment, the American people, through their government, showed their humanity and social imagination. Important for the future was the foresight displayed in the conserving of artistic talents and creations for the enrichment of generations to come.

The entrance of the federal government into a vast program of relief work was an abrupt departure from all previous practice, but it proved enduring. “When President Roosevelt laid it down that government had a social responsibility to care for the victims of the business cycle,” Fortune remarked prophetically in 1937, “he set in motion an irreversible process.” The burden of unemployment relief was too heavy to be carried by local government or private charities in an industrialized society; from now on, the national government would be expected to shoulder the responsibility. “Those who are on relief and in close contact otherwise with public matters realize that what has happened to the country is a bloodless revolution,” wrote an anonymous relief recipient in Harper’s in 1936. The government, he said, has assumed a new role in depressions, and only the rich might still be oblivious to it. But they too “will know it by 1940. And in time,” they will “come to approve the idea of everyone having enough to eat.” Few people escaped the wide net of the depression: “Anybody sinks after a while,” the anonymous reliefer pointed out. “Even you would have if God hadn’t preserved, without apparent rhyme or reason, your job and your income.” That the depression was a threat to all was perhaps the first lesson gained from the 1930’s.

The second was that only through collective defense could such a threat be met. By virtue of the vigorous attack made upon the economic problems of the thirties by the government, the age-old conviction that dips in the business cycle were either the will of God or the consequence of unalterable economic laws was effectively demolished. As recently as 1931, President Hoover had told an audience that some people “have indomitable confidence that by some legerdemain we can legislate ourselves out of a world-wide depression. Such views are as accurate as the belief that we can exorcise a Caribbean hurricane.” From the experience of the depression era, the American people learned that something could and ought to be done when economic disaster strikes. No party and no politician with a future will ever again dare to take the fatalistic course of Herbert Hoover in 1929-33.

As the enactment of the Employment Act of 1946 showed, the prevention of depression now occupies top listing among the social anxieties of the American people.

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7 The providing of work relief instead of the dole did more than fill hungry stomachs; it re-established faith in America and in one’s fellow man. “I’m proud of our United States,” said one relief recipient. “There ain’t no other nation in the world that would have sense enough to think of WPA and all the other A’s.” The wife of one WPA worker was quoted as saying, “We aren’t on relief any more—my man is working for the government.”
The act created a permanent Council of Economic Advisers to the President, to keep him continuously informed on the state of the economy and to advise him on the measures necessary to avoid an economic decline. And the Joint Committee on the Economic Report does the same for Congress.

Today political figures who indignantly repudiate any “left-wing” philosophy of any sort readily accept this inheritance from the depression. “Never again shall we allow a depression in the United States,” vowed Republican candidate Eisenhower in 1952. As soon as we “foresee the signs of any recession and depression,” he promised, “…the full power of private industry, of municipal government, of state government, of the Federal Government will be mobilized to see that that does not happen.” Ignoring the fact that as a prospective federal official he had promised more than he could deliver, he Innocently and accurately added, “I cannot pledge you more than that.” Sensing the tremendous importance of the matter to the American people, Eisenhower made substantially the same statement three other times—at Yonkers, Peoria, and Pittsburgh. At Yonkers he said that he had “repeated this particular pledge over and over again in the United States” and that he and his associates were “dedicated to this proposition....”

In the White House, Eisenhower continued to reflect this underlying and persistent fear that a depression would once again stride through the land. According to the account in Robert Donovan’s semiofficial *Eisenhower: The Inside Story*, at session after session of the Cabinet during the recession of 1953-54, it was the President who stressed the urgency of the economic situation. It was he who constantly prodded Arthur F. Burns of the Council of Economic Advisers to prepare plans with which to forestall a serious drop in the economic indicators. Indeed as late as June, 1954, just after Burns had delivered an optimistic report on the condition and future of the economy, as Donovan tells it, “The President...was still concerned about whether the administration was doing enough. Even though it jarred the logic of some members of the Cabinet, he insisted, everything possible must be done to restore vigor to the economy. It was important, the President said, to produce results and to err on the side of doing too much rather than too little.”

In the midst of the recession of 1957-58, Vice-President Richard Nixon, speaking on April 24, 1958, specifically repudiated the traditional approach of expecting the economy to right itself without government intervention. “Let us recognize once and for all,” he told his audience, “that the time is past in the United States when the Federal Government can stand by and allow a recession to be prolonged or to deepen into depression without decisive Government action.” Though Eisenhower was obviously worried that hasty measures might bring on further inflation, on May 20, in a public address, he agreed with the Vice-President that the government had “a continuing responsibility...to help counteract recession.” In the same speech the President enumerated concrete measures already taken, such as extension of unemployment benefits, speeding up of defense and civilian procurement, acceleration of government construction projects, and the easing of credit by the Federal Reserve.

The evident acceptance of the new obligations of government in the economy on the part of the first Republican administration since the New Deal is strikingly suggestive of the shock which the depression dealt conventional economic thought in America.
In passing through the dark valley of the depression, Americans discarded more than conventional economics; they also revised their political preferences. Like downswings in other times, the depression of the thirties spawned a number of ephemeral political aberrations like the Share the Wealth of Huey Long, the oldsters’ rebellion led by Dr. Francis E. Townsend, and the soured Populism of Father Coughlin’s crusade for Social Justice. But the most portentous shift in popular political thought was the Roosevelt Revolution—the raising of the Democratic party to the predominant position in American political life. As the War for the Union became the stock in trade of the Republicans after 1865, so the Great Depression became the Democrats’ primary justification; they have made as steady use of the tattered shirt as the Republicans did of the bloody shirt. And the tactic has worked; during the fifties and sixties, as the national elections show, there have been many more Democrats than Republicans in the country. Although Republican Eisenhower was elected by large majorities in 1952 and 1956, only in his first election was he able to carry a Republican Congress into office with him. Not since 1848 has a winning President failed to bring a House of Representatives of his own party into power. Eisenhower’s failure to do so in 1956, despite his immense personal popularity, and Nixon’s inability to do so in 1968 suggest that most American voters are still loyal to the Democratic party, despite their willingness to support an occasional Republican Presidential candidate. The grip of the depression on the American psyche has barely loosened a full generation after 1940.

The massive shift in popular opinion from the Republican to the Democratic party was a direct result of the wide range of social groups to which the Democratic administration offered succor and recognition. Midwestern farmers, for example, had always been deemed safe within the Republican fold, but after the AAA program they eagerly joined the Roosevelt coalition. And as late as 1948, at least, it was evident that many were still there, for the farmers held the key to Harry Truman’s unexpected victory that year. Numerous relief payments to workers, labor legislation, and the benevolent interest of the President himself succeeded in tying the working classes of the city more firmly and in greater numbers than ever before to the wheels of the Democratic chariot. In the election of 1956, under the impact of the Eisenhower charisma, some urban groups deserted the Democrats, but they were back in the fold in 1960 to help elect John F. Kennedy and most of them were still there in 1968 to offer their support to Hubert Humphrey. And even when some of the big cities voted for Eisenhower in 1956, they continued to support Democratic candidates for Congress, suggesting that it was Eisenhower’s personal, not his Republican, appeal that won them.

Perhaps the most unexpected result of the revolution was the transfer of the Negro vote from the Republicans, where it had lain for three generations, to the Democrats. Like so much else in the twentieth century, this change in the Negro’s voting habits is closely linked to the growth of industrialization. For almost half a century after the end of slavery, about 90 per cent of the Negro population of the country lived in the South; in 1910, for example, the figure was 89 per cent. But with the expansion of northern industry during the First World War, there was an increasing demand for skilled and unskilled labor. For the first time in American history, large numbers of Negroes, attracted by the new opportunities in northern industry, left the South. In the seven years
after 1916, it has been estimated, as many as a million Negroes migrated northward. Northern industrial centers experienced enormous increases in their Negro populations between the censuses of 1910 and 1920. In Akron, Ohio, for example, the increase was over 780 per cent; in Cleveland, 307 per cent; and in Detroit, the automobile industry attracted enough new workers to swell the Negro population by over 620 per cent. This emigration from the South continued through the twenties. Whereas in the Census of 1920 15 per cent of the Negro population lived outside the South, in 1930 20 per cent of the Negroes made their homes in the North and the West. In the course of the single decade of the twenties, the Negro population in the North jumped over 64 per cent, while it grew in the South by only 5 per cent. So massive was this new migration, much of which came out of the Deep South, that in 1920, for the first time in the history of the nation, the statistical center of the Negro population reversed its historic southwestern course and shifted north and east.

In moving out of the South the black man divested himself of two distinguishing social and political characteristics. In the South the Negro was typically rural and usually disfranchised, despite the Fifteenth Amendment. Once in the North, the Negro became primarily a city dweller, and he was permitted to exercise the vote. The new urban setting of the Negro, of course, was dictated by the industry which drew him northward. In 1930, over 88 per cent of the northern Negroes and 82 percent of Negroes in the West lived in cities; by contrast, 68 per cent of the Negroes in the South lived on the land. The concentration of Negroes in northern cities was even greater than these figures suggest; one third of them lived in only four northern cities. The conjuncture of the ballot and urban concentration created a formidable Negro voting power for the first time in the North. It is not surprising, therefore, that the election of the first Negro congressman outside of the South—that of De Priest in 1929—occurred in Chicago only a decade after the massive migration to the North. Not much before that date were there enough northern Negroes to compel politicians and parties to take them into account.

What party allegiance they would assume, however, was determined by other considerations. As Mark Hanna, the powerful Republican boss at the turn of the century, said, “I carry the Negro vote around in my vest pocket.” He did; and other Republican bosses before and after him could say the same. To tell the truth, where could the Negro find sympathy but in the Republican party, the party of the Emancipator? As the Negro leader Frederick Douglass is supposed to have warned his followers: “The Republican party is the ship; all else is the sea.” Was it to be expected that the black man could look for support from the Democrats, the party of the Southern white man? Well, at least not until Republican promises on behalf of the black man had worn thin enough to force his looking elsewhere.

During the optimism of the Progressive period, a few middle-class Negroes and intellectuals did talk of playing off the Democrats against the inertia-ridden Republicans. Some Negro leaders, for example, urged support of Woodrow Wilson in 1912 on the

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8 Heretofore most Negro migration, which rarely exceeded 10,000 annually, had come from the states of the upper South. The new migration, however, was significant in that it was drawn from the lower South. Between 1900 and 1910, for example, a mere 2,000 Negroes left South Carolina for Pennsylvania; in the following decade, 16,196 did. Only 781 Negroes left Alabama for Ohio in the ten years before 1910; in the subsequent decade, 17,500 made the trip—and so it went in state after state in the Deep South. This movement of Negroes out of the area of their greatest concentration, of course, has had a profound effect not only on the future of the Negro in the South but has also exposed white hostility in the North.
ground that he was untainted with the “lily-white” practices of which both Taft and Theodore Roosevelt were plainly guilty. Disillusionment for those Negro leaders, however, was fast in coming. True to his southern training and the southern bias of his party, Wilson in office quickly introduced segregation into the federal service in Washington. Thus it turned out that Progressivism, in both its Democratic and Republican forms, failed to include the Negro in its vision of a better America. The incipient movement for a two-party system for Negroes was halted for another two decades.

In the depths of the depression, even though there was some dissatisfaction with Hoover among Negro leaders, it is clear that the rank-and-file black voter clung to his Republican faith. The name Franklin Roosevelt carried no magic for Negroes in 1932. In the black wards of Chicago that year, Roosevelt picked up only 23 per cent of the vote—a ratio smaller than Al Smith’s in the prosperous year of 1928. It was the same among the Negroes in Cleveland; Detroit Negroes awarded F.D.R. only a little more than a third of their votes.

By 1936, however, the somersault had been executed. At that election Chicago’s Black Belt gave Roosevelt 49 per cent of its votes; the Negroes of Cleveland went all out for the President—62 per cent—even though in 1932 they had awarded Hoover 72 per cent of their ballots. Roosevelt garnered almost two thirds of the Negro vote in Detroit, and the four Negro wards in Philadelphia each gave him a majority of 5,000. The swing to the Democrats had been forecast in 1934, when the first Democratic Negro congressman in American history was elected from Chicago. Between 1936 and 1940, exactly half of the eighteen Negroes elected to state legislatures were Democrats. Though a tendency has been developing among some Negro leaders since the Second World War to be more critical of their new Democratic allies, Samuel Lubell reported that in the election of 1950 there was “less of a break among Negroes than among any other major group in the Roosevelt Coalition.” Despite the fact that civil rights had become a supercharged issue in the country at the time of the 1956 elections, Negroes, particularly in the North, continued to adhere to their recent Democratic conversion.

What brought about this dramatic reversal? Part of the answer, of course, lies in the demographic facts of migration, but, as the Negro voting in 1932 demonstrates, the really operative force was the Roosevelt administration’s recognition of the Negro. It is noteworthy that very little of the Democratic appeal to the Negro before 1940 can be illustrated in pronouncements or even in particular pieces of legislation. Only rarely does one find in the literature of Franklin Roosevelt and his New Deal such self-conscious appeals to the Negro as, say, in Harry Truman’s Fair Deal or in Lyndon Johnson’s famous address at Howard University in 1964.

There are several reasons for this. Primary, of course, is the fact that Truman’s Fair Deal developed after the Roosevelt regime had already given the Negro a bigger and higher platform from which to articulate his demands. Moreover, because F.D.R., as a

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9 In a postelection survey of the Negro vote, *The New York Times*, November 11, 1956, p. 60, reported that “the party of Lincoln still has a long way to go to regain the politico-racial domination that it held so firmly from post-Civil War days until Franklin D. Roosevelt smashed it twenty years ago.” And since the Democratic party under Kennedy and Johnson has made common cause with the Negro, the allegiance of black voters to that party has been almost unanimous. In the election of 1964 some Negro districts voted over 90 per cent for Lyndon Johnson. Even in 1968 Hubert Humphrey won the great majority of Negro votes, North and South.
working politician, was always conscious of his party’s southern wing, he would rarely antagonize the Southerners on the race issue alone. Furthermore, Roosevelt as a leader was only tangentially aware of the Negro as a special case, as a minority to be singled out for exceptional treatment or concern. It was Eleanor Roosevelt, not Franklin, who went out of her way to be racially democratic and to concern herself with minority problems.

Nonetheless, the Roosevelt administration in its relatively undramatic fashion did much for the Negro, and this too stemmed from both the character of Franklin Roosevelt and the underlying philosophy of his administration. Just as the federal government found a place for the artist, so its humane outlook could not exclude the Negro. Thus if white men were to be given relief work, so must Negroes; and if so, then why not on an equal basis? “We are going to make a country in which no one is left out,” the President said in another connection. And there was nothing to suggest that he had any mental reservations about race when he said it. Besides, although F.D.R. would do little publicly to antagonize his southern allies on the race question, his political perspicacity told him that in the North his power was heavily dependent upon city machines, many of which could or did benefit from Negro votes.

From the very outset the Democratic regime in Washington accepted the black man. Negroes were sprinkled through almost all its agencies either as advisers or as employees in a lesser capacity. The administration consulted and bestowed office upon nonpolitical Negroes (the Republicans had generally used Negroes as political appointees) like William H. Hastie, later to be the first Negro federal judge; Robert C. Weaver, the economist who later, under Lyndon Johnson, became the first Negro to sit in the Cabinet; and Mrs. Mary Bethune, the educator. When low-cost housing went up, Negroes got their share; Negro youths were welcome in the CCC and the NYA just as the whites were, though in the former the races were segregated. Recreational centers, hospitals, and schools were built for Negroes with federal money. Evenhandedly distributed federal relief funds were a gift from heaven to the black man, who was traditionally “hired last and fired first.” As one Negro newspaperman told Samuel Lubell, “The really important thing about WPA is that it is a guarantee of a living wage. It means Negroes don’t have to work for anything people want to give them.” In the votings conducted by the AAA among farmers and those supervised by the National Labor Relations Board among workers, Negroes were treated the same as white men, even though in the South these same black men were excluded from political elections. In short, the Roosevelt administration took a number of concrete steps toward accepting the Negro as a full citizen—a simple innovation of portentous consequences. It would be difficult hereafter for any party in power to do less.

All the credit for converting the Negro from his Republicanism, however, should not go to positive acts of the Democratic administration; the objective economic and social environment also deserves some. Negroes, for example, began to secure jobs in a greater variety of occupations than ever before; under the impact of the depression, some employers were willing to hire Negroes for the first time, if only because the black worker accepted lower wages. Moreover, the C.I.O. unions now began to organize Negro workers on an equal basis with whites. To accomplish this end, Negro organizers were sent among the steel, maritime, and auto workers, and, when the permanent Congress of Industrial Organizations was formed in 1938, a clause in the constitution prohibited any constituent union from discriminating on grounds of race. The startling improvement in
the Negro’s position in the thirties could not help but redound to the benefit of the party in power.

By 1940, the capturing of the Negro vote by the Democrats was an accomplished fact, and the party platform of that year, using the word “Negro” for the first time, boasted of its friendship for the black man. “Our Negro citizens,” the platform proclaimed, “have participated actively in the economic and social advances launched by this Administration.” It would not have been an exaggeration, for once in the history of political platforms, if it had been noted that this was about the first time since the 1870’s that any party could truthfully say half as much.

4. REVOLUTION IN LABOR

The change wrought in the political affiliations of Negroes by the depression was as nothing compared with the catalytic and subversive effect it worked upon the labor movement. And, analogous to the change in the preference of the Negro voter, the alteration in the position and power of labor was indebted to the action of the Roosevelt administration, the Democratic Congress, and the new social atmosphere of the depression era.

During the prosperity of the twenties the labor movement had gone into a decline rare in the history of unionization. The usual tendency had been for membership to rise in prosperous times and to decline in bad. But whereas in 1920 organized labor could claim its largest membership to date—some five million workers—by 1929 barely three million could be counted. Thus labor entered the depression under the handicap of declining membership. But instead of killing off many unions, as depressions had done earlier, the depression of the thirties seemed to stimulate a new and aggressive organizing spirit among the workers. In the light of the later tremendous expansion of union membership, it might be said that the depression created a class consciousness among American workingmen for the first time sufficient to permit large-scale unionization.

Despite the fact that the vast majority of unionized workers were then in the American Federation of Labor, that body was not destined to be the instrument of the new unionization. The Federation was too cautious, too saturated with Samuel Gompers’ commitment to craft forms of organization and his fear of governmental interference, to be able to capitalize on the unrest among the workers. It is true that some Federation leaders like John L. Lewis of the Miners and Hillman of the Clothing Workers were pressing hard for new organizing drives among the workers of the still unorganized great industries of the country like textiles, steel, rubber, automobiles, and aircraft. But such men were a small minority in the Federation.

The deepening of the economic slump, however, did open crevices in the Federation’s high wall of tradition. At the 1932 convention in Cincinnati, John L. Lewis convinced the convention to go on record in favor of state unemployment systems. To the old-timers in the Federation this was a serious and dangerous departure from Gompers’ inflexible principle of “voluntarism”—that is, no government interference on either side in the match between capital and labor. Lewis also cajoled the delegates—apparently bewildered and shaken by the enormity of the economic crisis—into accepting the
principle of a legislatively limited working day—a further repudiation of Gompers’ principles.

Then came the opening notes of the Rooseveltian performance, foremost among which was the National Industrial Recovery Act. This measure contained a labor clause—the well-known 7a—which guaranteed to workers the right of free choice of union and committed the employers to dealing with such unions. Spurred by this government encouragement, both spontaneous organization and A.F. of L.-affiliated unionization surged forward. More than 1,100 federal and local unions in the mass production industries of automobiles, aluminum, and rubber were brought into being by 1935; union membership for these industries shot up from less than 11,000 in 1933 to over ten times that figure in 1935. President Green of the A.F. of L. announced that between 60,000 and 70,000 workers had been added to the Federation in Akron alone in 1933, most of them in the rubber industry. Capitalizing on Roosevelt’s acceptance of section 7a, John L. Lewis told the miners, “The President wants you to join a union.” The United Mine Workers, though wasting away all through the twenties, attracted 300,000 members to its rolls in the spring and early summer of 1933. The Ladies Garment Workers Union added 100,000; the Amalgamated Clothing Workers gathered in another 50,000 during the middle months of NRA’s first year. At the A.F. of L. convention of 1934, the Executive Council reported “a virtual uprising of workers for union membership. Workers,” the Council said with amazement, “held mass meetings and sent word they wanted to be organized.”

The emphasis on craft organization and the cautious philosophy of the American Federation of Labor, however, were not equal to the task of organizing and canalizing this upsurge among the workers in the mass production industries. The craft form, where unionization proceeded along the lines of the job, rather than the factory, made no sense whatsoever in any of the great industries where the mass of workers were semiskilled or unskilled rather than skilled. Moreover, to divide the workers in a plant according to occupations resulted in endless jurisdictional disputes among the unions. Ultimately the mishandling of the organizational problem reflected itself in loss of membership. For example, though in 1934 the A.F. of L. had over 150,000 members in its 100 locals in the automobile industry, by 1936 the membership had dwindled away to 19,000. A willingness to try new forms and to include the unskilled and semiskilled, who bulked so large in the mass production industries, was urgently needed if organized labor was to benefit from the workers’ new interest in unions.

The obvious failure of the A.F. of L.’s approach to the mass industries came to a head in the heated Atlantic City convention of October, 1935. Beetle-browed, leonine John L. Lewis of the industrially organized Miners raised his stentorian voice in behalf of the unorganized. “Heed this cry from Macedonia that comes from the hearts of men,” he cried to the impassive leaders of labor’s elite. “Organize the unorganized and in doing this make the A.F. of L. the greatest instrument that has ever been forged to befriend the cause of humanity and champion human rights.” Defeated at every turn on the floor of the convention (except perhaps in his famous right hook to the nose of arch-conservative William Hutcheson of the Carpenters), Lewis and his fellow rebels, the day after the convention closed, organized the Committee for Industrial Organization. Composed of ten of the more aggressive and spirited of the A.F. of L. unions, this committee sparked the mighty organizing effort which transformed American industrial and labor relations
in the next handful of years. Within a year after the formation of the C.I.O., the A.F. of L. expelled the constituent unions. The split in the labor movement, destined to remain unhealed for twenty years, was a fact.

In view of the consequences, however, that split was the most promising thing that ever happened to Samuel Gompers’ beloved American Federation of Labor in particular and to the American workingman in general. The C.I.O.—formed into the permanent Congress of Industrial Organizations in 1938—undertook a massive and energetic invasion of unorganized mass industries like steel, automobiles, textiles, rubber, aircraft, and lumber—all industries which had implacably resisted the union organizer for over a generation. One by one, with varying degrees of violence and resistance, they fell to the determination, the guts, and the persistence of the new unionism. In time the A.F. of L. also joined in, and by 1940 total union membership in the country had risen to 8.5 million from 3.7 million only five years earlier. Under the impact of the depression, the American labor movement had come of age.

Aside from the new and vital spirit which the C.I.O. breathed into the labor movement, its great innovation was its effective use of the industrial-union form. So successfully was this form adapted to the economic structure that the industrial union soon captured a prominent place in the once craft-dominated A.F. of L. By 1940 about a quarter of the A.F. of L.’s four million members were in industrial unions and a quarter of the C.I.O.’s workers were in craft unions. Furthermore, by organizing recent immigrants, the unskilled, Negroes, and women on a scale and with a determination never attempted by the A.F. of L., the C.I.O. revived a broad approach to unionism which had been sidetracked in America ever since the A.F. of L. had beaten out the old Knights of Labor.

The enormous expansion of unionization in the last years of the depression was not solely attributable to the novel spirit among the unions and the workers. Much of the impetus came from the new attitude of the government. We have already seen the catalytic effect the NRA had on the rush toward unionization, and it would be difficult to exaggerate that effect. When that act was declared unconstitutional in 1935, its place was taken by the National Labor Relations Act (the Wagner Act), in itself perhaps the most revolutionary single measure in American labor history.

The Wagner Act started from the same premise as section 7a of the NRA—that is, that workers should be free to choose their own unions and employers must abstain from interfering in this choice. It also required that employers accept duly constituted unions as legitimate representatives of their employees and bargain with them. The act also set up a board—the National Labor Relations Board—whose duty it was to supervise elections for the certification of unions as representatives of a majority of the workers in a plant, and to hear complaints against employers for having interfered with union organizing. The Board was also empowered to hear complaints against employers for refusing to bargain with a certified union.

In two different ways, the act threw the enormous prestige and power of the government behind the drive for organizing workers. In the first place, it flatly declared unionization to be a desirable thing for the national economy, forbidding employers to interfere in the process of organization. Five so-called unfair labor practices were listed, all of them acts which only an employer could commit; the act listed no “unfair” practices of labor. (Actually, the courts had built up such a large body of common-law
interpretations of unfair labor practices by unions that it was hardly necessary to add to them in the act.) Moreover, as an additional indication of its belief in the labor movement, the law virtually outlawed the company union—that is, the labor organization sponsored by the employer. In the second place, once a union was formed, and it had been certified by the Board as speaking for a majority of the workers, the employer, under the act, had no alternative but to recognize it as the representative of his employees. Though it is true that many employers refused to accept the constitutionality of the law—usually on the advice of their lawyers—until after the Supreme Court decision of 1937 in the Jones and Laughlin Steel case, this placing of the government on the side of unionization was of central importance in the success of many an organizational drive of the C.I.O., notably those against Ford and Little Steel.10

The passage of this controversial act marked, insofar as labor was concerned, an acceptance of governmental assistance which would have made old Sam Gompers apoplectic. All during his leadership of the A.F. of L., labor had consistently refused to accept (except for the war emergency) government intervention at the bargaining table of labor and business. But by accepting governmental assistance, the American labor movement not only departed from its own traditions, but from those of European labor as well. Although well aware of the benefits to be derived from such government support as the American movement received, labor in England and on the Continent has not abandoned its historic independence of the state. European labor unions have preferred to remain untouched by the quasi-governmental status in which the American labor movement has permitted itself to be clothed. Labor’s bête noire, the Taft-Hartley Act, is an obvious confirmation of the truism that dependence on government is a knife which cuts both ways.

Another, though less important, difference between American and European labor practices is the attitude toward the union and closed shops. Largely because of the historic fragility of American labor organizations, unions in the United States have found it desirable, if not imperative, to insist that all workers in a given shop or plant join the union to which a majority of workers belong. The Wagner Act reinforced this practice by making it an unfair labor practice for an employer to refuse to sign an agreement requiring all of his employees to join the union.

European employers have rarely signed such agreements, and the Swiss, French, German, English, and Swedish labor unions have gone on record as opposing such closed or union shop agreements. Indeed, in the basic Matignon agreement between French capital and labor in 1936, the unions voluntarily agreed to management’s right to hire and fire regardless of union membership. Generally speaking, labor and the courts alike in Europe have looked upon the closed shop as an infringement of a worker’s right to join or not join any association he pleases. Unionism, however, is considerably stronger there than here, and the workers can be confident that the open shop is not an excuse for refusing to deal with unions at all, as it has proved to be in the United States.

10 Even before the Wagner Act had won the support of the Supreme Court, Presidential “pressure” and prestige helped the C.I.O. attain some of its most telling victories, like that over General Motors in February of 1937. The sensational exposure of union-busting tactics of employers by Senator Robert La Follette’s investigating committee, beginning in 1936, was still another form of governmental assistance to the cause of labor.
The Wagner Act broke new ground in labor law, going even beyond the epoch-making Norris-La Guardia Act of 1932. This latter act, passed after years of agitation and half a dozen tries on the part of labor and liberal congressmen and senators, severely restricted the use of antiunion injunctions issuing from federal courts in the course of labor disputes. So expertly was the act drawn that it overthrew in one stroke a mountain of legal obstacles to labor organization and activity which ingenious judges and lawyers had quarried out of the common law. In substance, though, the main achievement of the act could be summed up in the phrase “laissez faire in labor relations.” Labor would now be free to use its full economic power, without judicial hamstringing, just as employers had always been free to use theirs. In no way, it should be emphasized, did the Norris-La Guardia Act compel, or even advise, employers to accept unions or to bargain with them.

That innovation came only with the Wagner Act. As a federal court of appeals said in 1948, “prior to the National Labor Relations Act no federal law prevented employers from discharging employees for exercising their rights or from refusing to recognize or bargain with labor organizations. The NLRA created rights against employers which did not exist before then.” In this lay the revolution in governmental attitudes toward organized labor.

So lusty and powerful did organized labor grow under the new dispensation that by the time the Second World War was over, a strong movement was afoot to amend the Wagner Act in order to protect the interests of the employer and to secure the national welfare against certain powerful national unions. The result was the Taft-Hartley Act of 1947, actually an amendment to the original 1935 act. Without entering into the details, suffice it to say that this amendment now added certain unfair labor practices of which unions might be guilty, such as the secondary boycott, and bestowed special powers upon the federal government for effectively handling paralyzing nationwide strikes. But the central core of the National Labor Relations Act was left unimpaired, as it remains today. The American people under Republican as well as Democratic regimes have reaffirmed more than once the principle that it is the obligation of the federal government to protect a worker in the free exercise of the right to join a union and that all employers must bargain collectively with a certified union.

Enormous as was the assistance which labor received from government in the form of the NLRA, there was still another piece of legislation which offered a boost to labor. This was the Wages and Hours Act of 1938, which set minimum wages and maximum hours for workers in industries engaged in interstate commerce. Since its example has been followed by several industrial states like New York, the principle of a legislative floor under wages and a ceiling on hours has been extended beyond the constitutional limits of the federal government’s power. Because the minimum set by law was well below the going industrial wage, the act did not affect most workers, but it helped considerably to pull up wages in certain unorganized industries. Furthermore, it helped to narrow the wage differences between northern and southern industries. During the first two years of the act, nearly a million workers received increased wages under its provisions and over three million had their hours shortened. Subsequent to that time, the minimum wage has been progressively increased from the original 40 cents an hour to the present (1968) $1.60, thereby putting a rising floor under the nation’s industrial wage scale. Furthermore, in abolishing child labor in all industries involved in interstate commerce, the act achieved a long-sought goal of the labor and liberal movements in the
United States. And once again, it is worth noticing, it was accomplished through the powerful intervention of an active federal government.

Seen against a broader canvas, the depression, together with government support, profoundly altered the position of labor in American society. Girded with its new-found power and protections, Big Labor now took its place beside Big Business and Big Government to complete a triumvirate of economic power. And when it is recognized that through the so-called farm bloc in Congress agriculture also has attained a sort of veto power on the operations of the economic system, it is not difficult to appreciate the aptness of John Galbraith’s description of modern American capitalism as a system of “countervailing power.” Instead of competition being the regulator of the economic system, Professor Galbraith persuasively argues, we now have a system of economic checks and balances—Big Labor, Big Business, Big Agriculture, and so forth—no one of which is big enough or powerful enough to control the total economy. Though Galbraith’s argument is not totally convincing, his conception of the American economy is much closer to reality than is the old competitive model. And insofar as Professor Galbraith’s analysis is correct, it is clear that this system of countervailing power came into being during the depression, with the rise of Big Government, Organized Agriculture, and Big Labor.

5. WAS IT A NEW OR OLD DEAL

One of the most enduring monuments to the Great Depression was that congeries of contradictions, naïveté, humanitarianism, realistic politics, and economic horse sense called the New Deal of Franklin D. Roosevelt. As the governmental agent which recast American thinking on the responsibilities of government, the New Deal was clearly the offspring of the depression. As we have seen, it was also more than that: it was a revitalization of the Democratic party; it was the political manifestation of that new spirit of reform which was stirring among the ranks of labor and the Negro people.

In their own time and since, the New Deal and Franklin Roosevelt have had a polarizing effect upon Americans. Probably at no time before Roosevelt has the leader of a great democratic nation come to symbolize as he did the hopes and the fears of so many people. Not even Jackson, in whom Roosevelt himself recognized a President of his own popularity- and hatred-producing caliber, could rival him. Two decades after Roosevelt’s death, the mention of his name can still evoke emotions, betrayed by the wistful look in the eye or in the hard set of the jaw.

For the Democratic party, Roosevelt was like a lightning rod, drawing to himself all the venom and hatred of the opposition, only to discharge it harmlessly; nothing, it seemed, could weaken his personal hold on the affections of the majority of Americans. That something more was involved than sheer popularity is shown by the example of

11 According to Harold Ickes, Roosevelt was profoundly struck by the adoration which was bestowed upon him by his admirers. During the 1936 campaign, the President told Ickes “that there was something terrible about the crowds that lined the streets along which he passed. He went on to explain what he meant, which was exclamations from individuals in the crowd, such as ‘He saved my home,’ ‘He gave me a job,’ ‘God bless you, Mr. President,’ etc.” In May, 1936, Marquis Childs published an article in Harper’s, entitled “They Hate Roosevelt,” in which he described and tried to account for the unreasoning hatred for the President on the part of what Childs called the upper 2 per cent of the population.
Dwight Eisenhower. Though held in even greater popular esteem, Eisenhower was unable to invest his party with his own vote-getting power; Republicans lost while Eisenhower won. The difference between F.D.R. and Ike is that one stood for a program, a hope, and a future, while the other stood for himself as a good, well-intentioned man whom all instinctively trusted and perhaps even admired. The one was a leader of a nation, the other a popular hero. Roosevelt is already a member of that tiny pantheon of great leaders of Americans in which Washington, Jackson, Lincoln, and Wilson are included; it is difficult to believe that Eisenhower will be included. His monument is more likely to be inscribed: “The best-liked man ever to be President.”

In the thirties, as now, the place of the New Deal in the broad stream of American development has been a matter of controversy. Historians and commentators on the American scene have not yet reached a firm agreement—if they ever will—as to whether the New Deal was conservative or radical in character. Certainly if one searches the writings and utterances of Franklin Roosevelt, his own consciousness of conservative aims is quickly apparent. “The New Deal is an old deal—as old as the earliest aspirations of humanity for liberty and justice and the good life,” he declared in 1934. “It was this administration,” he told a Chicago audience in 1936, “which saved the system of private profit and free enterprise after it had been dragged to the brink of ruin....”

But men making a revolution among a profoundly conservative people do not advertise their activity, and above all Franklin Roosevelt understood the temper of his people. Nor should such a statement be interpreted as an insinuation of high conspiracy—far from it. Roosevelt was at heart a conservative, as his lifelong interest in history, among other things, suggests. But he was without dogma in his conservatism, which was heavily interlaced with genuine concern for people. He did not shy away from new means and new approaches to problems when circumstances demanded it. His willingness to experiment, to listen to his university-bred Brains Trust, to accept a measure like the TVA, reveal the flexibility in his thought. Both his lack of theoretical presuppositions and his flexibility are to be seen in the way he came to support novel measures like social security and the Wagner Act. Response to popular demand was the major reason. “The Congress can’t stand the pressure of the Townsend Plan unless we have a real old-age insurance system,” he complained to Frances Perkins, “nor can I face the country without having...a solid plan which will give some assurance to old people of systematic assistance upon retirement.” In like manner, the revolutionary NLRA was adopted as a part of his otherwise sketchy and rule-of-thumb philosophy of society. Though ultimately Roosevelt championed the Wagner bill in the House, it was a belated conversion dictated by the foreshadowed success of the measure and the recent invalidation of the NRA. In his pragmatic and common-sense reactions to the exigencies of the depression, Roosevelt, the easy-going conservative, ironically enough became the embodiment of a new era and a new social philosophy for the American people.

“This election,” Herbert Hoover presciently said in 1932, “is not a mere shift from the ins to the outs. It means deciding the direction our nation will take over a century to

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12 It is significant that only once during the 1932 campaign, according to Ernest K. Lindley, did Roosevelt call for “a revolution”; and then he promptly qualified it to “the right kind, the only kind of revolution this nation can stand for—a revolution at the ballot box.”

13 When an economist suggested to F.D.R. that the depression be permitted to run its course and that then the economic system would soon right itself—as Frances Perkins tells the story—the President’s face took on a “gray look of horror” as he told the economist: “People aren’t cattle you know!”
come.” The election of Franklin Roosevelt, he predicted, would result in “a radical departure from the foundations of 150 years which have made this the greatest nation in the world.” Though Hoover may be charged with nothing more than campaign flourishing, it is nevertheless a fact that his speech was made just after Roosevelt’s revealing Commonwealth Club address of September. Only in this single utterance, it should be remembered, did Roosevelt disclose in clear outline the philosophy and program which was later to be the New Deal. “Every man has a right to life,” he had said, “and this means that he has also a right to make a comfortable living...Our government, formal and informal, political and economic,” he went on, “owes to everyone an avenue to possess himself of a portion of that plenty [from our industrial society] sufficient for his needs, through his own work.” Here were the intimations of those new goals which the New Deal set for America.

Accent as heavily as one wishes the continuity between the reforms of the Progressive era and the New Deal, yet the wide difference between the goals of the two periods still remains. The Progressive impulse was narrowly reformist: it limited business, it assisted agriculture, it freed labor from some of the shackles imposed by the courts, but it continued to conceive of the state as policeman or judge and nothing more. The New Deal, on the other hand, was more than a regulator—though it was that too, as shown by the SEC and the reinvigoration of the antitrust division of the Justice Department. To the old goals for America set forth and fought for by the Jeffersonians and the Progressives the New Deal appended new ones. Its primary and general innovation was the guaranteeing of a minimum standard of welfare for the people of the nation. WPA and the whole series of relief agencies which were a part of it, wages and hours legislation, AAA, bank deposit insurance, and social security, each illustrates this new conception of the federal government. A resolution offered by New Deal Senator Walsh in 1935 clearly enunciated the new obligations of government. The resolution took notice of the disastrous effects of the depression “upon the lives of young men and women...” and then went on to say that “it is the duty of the Federal Government to use every possible means of opening up opportunities” for the youth of the nation “so that they may be rehabilitated and restored to a decent standard of living and ensured proper development of their talents....”

But the guarantor state as it developed under the New Deal was more active and positive than this. It was a vigorous and dynamic force in the society, energizing and, if necessary, supplanting private enterprise when the general welfare required it. With the Wagner Act, for example, the government served notice that it would actively participate in securing the unionization of the American worker; the state was no longer to be an impartial policeman merely keeping order; it now declared for the side of labor. When social and economic problems like the rehabilitation of the Valley of the Tennessee were ignored or shirked by private enterprise, then the federal government undertook to do the job. Did private enterprise fail to provide adequate and sufficient housing for a minimum standard of welfare for the people, then the government would build houses. As a result,

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14 Social security is an excellent example of how, under the New Deal, reform measures, when they conflicted with recovery, were given priority. In siphoning millions of dollars of social security taxes from the purchasing power of the workers, social security was a deflationary measure, which must have seriously threatened the precariously based new economic recovery. For this reason and others, Abraham Epstein, the foremost authority in America on social security, denounced the act as a “sharing of poverty.”
boasted Nathan Straus, head of the U.S. Housing Authority, “for the first time in a hundred years the slums of America ceased growing and began to shrink.”

Few areas of American life were beyond the touch of the experimenting fingers of the New Deal; even the once sacrosanct domain of prices and the valuation of money felt the tinkering. The devaluation of the dollar, the gold-purchase program, the departure from the gold standard—in short, the whole monetary policy undertaken by F. D. R. as a means to stimulate recovery through a price rise—constituted an unprecedented repudiation of orthodox public finance. To achieve that minimum standard of well-being which the depression had taught the American people to expect of their government, nothing was out of bounds.\[15\]

But it is not the variety of change which stamps the New Deal as the creator of a new America; its significance lies in the permanence of its program. For, novel as the New Deal program was, it has, significantly, not been repudiated by the Eisenhower administration, the first Republican government since the reforms were instituted. Verbally, it is true, the Republican administration has had to minimize its actual commitments to the New Deal philosophy, and it tended to trust private business more than the New Dealers did—witness, for example, its elimination of the minor governmental manufacturing enterprises which competed with private firms. But despite this, the administration’s firm commitment to the guaranteeing of prosperity and averting depression at all costs is an accurate reflection of the American people’s agreement with the New Deal’s diagnosis of the depression. Nor has the Republican party dared to repeal or even emasculate the legislation which made up the vitals of the New Deal: TVA, banking and currency, SEC, social security, the Wagner Act, and fair treatment of the

\[15\] The proposition that the New Deal marked a sharp change in attitudes and practices has not been accepted by all historians, to say the least. Although the literature on the subject is canvassed in the bibliographical essay at the end of this book, the two principal schools of criticism are worth setting forth here. On this subject orthodox and New Left historians seem to be in substantial agreement. Arthur Link in his American Epoch (New York, 1967), p. 433, sums up the orthodox argument: “The chief significance of the reform legislation of the 1930’s was its essentially conservative character and the fact that it stemmed from half a century or more of discussion and practical experience and from ideas proposed by Republicans as well as by Democrats.”

The New Left criticism is vigorously set forth in Barton Bernstein, “The New Deal: The Conservative Achievements of Liberal Reform,” in his collection of essays, Towards a New Past: Dissenting Essays in American History (New York, 1968), pp. 264-65: “The New Deal failed to solve the problem of depression, it failed to raise the impoverished, it failed to redistribute income, it failed to extend equality and generally countenanced racial discrimination and segregation. It failed generally to make business more responsible to the social welfare or to threaten business’s pre- eminent political power. In this sense, the New Deal, despite the shifts in tone and spirit from the earlier decade, was profoundly conservative and continuous with the 1920’s.”

My reasons for disagreeing with the orthodox view have already been set down above. My disagreement with the New Left historians is a little different. They have set forth a measure of radical change that no movement in United States history can fulfill. Such a “consensus” approach to American history may be useful in comparing the United States with other societies, but it ignores the important and noticeable shifts in outlook and practice within the United States that the historian must recognize if he is to avoid making the American past nothing more than a stately, homogenized progression from the seventeenth century to the present. It is in that sense that I speak of the New Deal as a revolution. Certainly the men of the 1930’s and 1940’s thought an important change in outlook and approach of government toward society was taking place. The historian cannot rely only upon his own criteria for measuring change; he must be sensitive to what contemporaries thought was happening as well.
The New Deal Revolution has become so much a part of the American Way that no political party which aspires to high office dares now to repudiate it.

It may or may not be significant in this regard (for apothegms are more slippery than precise) but it is nonetheless interesting that Roosevelt and Eisenhower have both been impressed with the same single sentence from Lincoln regarding the role of government. “The legitimate object of Government,” wrote Lincoln, “is to do for a community of people whatever they need to have done but cannot do at all or cannot do so well for themselves in their separate or individual capacities.” Twice, in 1934 and again in 1936, F. D. R. in public addresses used this expression to epitomize his own New Deal, and Robert Donovan in his officially inspired book on the Eisenhower administration writes that this same “fragment of Lincoln’s writing...Eisenhower uses time and again in describing his own philosophy of government.” Between Lincoln and Eisenhower there was no Republican President, except perhaps Theodore Roosevelt, who would have been willing to subscribe to such a free-wheeling description of the federal power; in this can be measured the impact of the New Deal and the depression.

The conclusion seems inescapable that, traditional as the words may have been in which the New Deal expressed itself, in actuality it was truly a revolution in ideas, institutions and practices, when one compares it with the political and social world that preceded it. In its long history, America has passed through two revolutions since the first one in 1776, but only the last two, the Civil War and the depression, were of such force as to change the direction of the relatively smooth flow of its progress. The Civil War rendered a final and irrevocable decision in the long debate over the nature of the Union and the position of the Negro in American society. From that revolutionary experience, America emerged a strong national state and dedicated by the words of its most hallowed document to the inclusion of the black man in a democratic culture. The searing ordeal of the Great Depression, purged the American people of their belief in the limited powers of the federal government and convinced them of the necessity of the guarantor state. And as the Civil War constituted a watershed in American thought, so the depression and its New Deal marked the crossing of a divide from which, it would seem, there could be no turning back.

The decade of the 1930’s witnessed another turning point from which there was no turning back. The menace of Hitler and Japan during the late 1930’s initiated a revolution in American foreign policy that still continues. It is to the background and nature of that revolution in America’s relations with the world that we must now turn.